

**STAFF REPORT**  
**City of Lancaster**  
**Lancaster Redevelopment Agency**

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MVB

Date: June 22, 2010

To: Mayor Parris and City Council Members  
Chairman Parris and Agency Directors

From: Mark V. Bozigian, City Manager

Subject: **Fiscal Year 2010-11 Redevelopment Agency/  
City of Lancaster Budget & Fee Resolution**

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**Redevelopment Agency Recommendations:**

- a. Adopt **Resolution No. 13-10**, adopting the proposed Lancaster Redevelopment Agency Fiscal Year 2010-11 budget as submitted.
- b. Adopt **Resolution No. 14-10**, finding that the acquisition of property or construction of various improvements as approved pursuant to the adoption of the Fiscal Year 2010-11 Budget will be of benefit to the Redevelopment Project.

**City Council Recommendations:**

- a. Adopt **Resolution No. 10-44**, adopting the proposed City of Lancaster Fiscal Year 2010-11 General Fund Operating Budget, Special Funds Budget, and Capital Improvements Budget, as specified in the Staff Report and Budget Document.
- b. Adopt **Resolution No. 10-45**, finding that the acquisition of property or construction of various improvements as approved pursuant to the adoption of the Fiscal Year 2010-11 Budget will be of benefit to the Redevelopment Project.
- c. Adopt **Resolution No. 10-46**, establishing the annual Appropriations Limit for Fiscal Year 2010-11.
- d. Adopt **Resolution No. 10-47**, amending Resolution No. 10-12 and Resolution No. 09-72 establishing a compensation schedule for various non-represented employees of the City.
- e. Adopt **Resolution No. 10-48**, amending Resolution No. 09-91 establishing the citywide fee schedule related to cost of services.
- f. Approve changes to the proposed Work Force as follows:

Division	Position (as presented/prior to revision)	Position (revised)
4110	Administrative Clerk	Secretary I
4820	Community Services Officer (1 position)	Administrative Clerk
4641	Recreation Program Supervisor	Recreation Supervisor II
4710	Secretary I	Secretary II
4740	Public Works Inspector I	Public Works Inspector II
4743	Public Works Inspector I	Public Works Inspector II

**Background:**

The City and the Redevelopment Agency are required to adopt a budget by July 1 of each year that establishes appropriations and estimated revenues for the fiscal year. The proposed budget is a culmination of many months of work by the City Council/Agency Board and staff in reviewing priorities and evaluating programs to meet those priorities. A Public Hearing to review the budget was held on June 8, 2010.

Expenditures are proposed at \$205,916,513 for fiscal year 2010-11. Total revenues for fiscal year 2010-11 are estimated at \$158,521,504 with \$47,395,009 coming from reserved fund balances that are restricted to the uses proposed in the budget. The 10% operating reserve and a 22% financial stability reserve in the general fund are preserved in the proposed budget.

The proposed budget is broken into the following categories:

	City	Agency
Operating	\$ 85,218,724	\$ 107,416,282
Capital Improvement	10,140,600	3,140,907
<b>TOTAL</b>	<b><u>\$ 95,359,324</u></b>	<b><u>\$ 110,557,189</u></b>

The General Fund budget for next fiscal year is proposed at \$54,461,895 operating with no funding for capital improvement projects. Revenues are projected at \$51,865,000.

New funding for the Capital Improvement Program is proposed at \$13,281,507. Project categories are broken down as follows:

Downtown Revitalization:	\$ 2.6 M
Streets & Pavement Mgmt:	4.8 M
Transportation Safety:	1.9 M
Other Projects:	<u>4.0 M</u>
<b>TOTAL</b>	<b><u>\$13.3 M</u></b>

The proposed Fiscal Year 2010-11 budget for the Lancaster Redevelopment Agency is comprised of four distinct elements: economic development, housing, debt service and tax increment pass-throughs which, when combined, finance the various programs, projects and activities approved by the Redevelopment Agency Board. These four elements, excluding transfer payments within the Agency, account for a combined budget of \$110,557,189.

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Attachments:

1. Fiscal Year 2010-11 Budget - On file in the City Clerk's Department
2. Resolution No. 13-10
3. Resolution No. 14-10
4. Resolution No. 10-45
5. Resolution No. 10-46
6. Resolution No. 10-47
7. Resolution No. 10-48
8. Resolution No. 10-49